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2 January 1976

MEMORANDUM FOR: Ambassador Bush

SUBJECT : Where You Should Sit

1. As you requested, we have convened the available members of the CIA Study Group to develop for you the issues you should consider in deciding where to locate your office. In this paper we examine the relative merits of the White House, the EOB, some other downtown location such as East Building, and Langley itself, in terms first of symbolism and second of the practical necessity for staff support. Both symbolic and practical factors could have quite different weights, however, if the DCI's role were radically changed. We therefore discuss the potential impact of the various organizational options now on the table, and finally make some tentative recommendations.

Location as a Symbol

2. For the President. The President's interests in this matter will of course govern. He has not to our knowledge stated a view, but we assume that his interests and yours are parallel: you should be located where you can best provide him substantive\* support and manage the national intelligence apparatus.

3. For the Congress. In your confirmation hearings, it was made emphatically clear that Congress continues to expect the DCI to be apolitical. Congress established the DCI and CIA to provide an objective view of events foreign, independent of policy or politics. As great national issues such as arms limitation agreements and weaponry budgets have come to depend more and more on

\*Throughout this paper, the word "substantive" is used to mean the subject matter of intelligence, the product of the system.

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intelligence assessments, Congress in dealing with these issues has increasingly looked to the DCI to provide it the same kind of independent assessment that he provides the Executive. Congress has also become, rightly or wrongly, increasingly suspicious of any military influence on those assessments.

4. We believe that the Congress would view your setting up headquarters in the White House, or even in the EOB, as associating you too closely with policy and politics, especially given the circumstances of your confirmation hearings. And indeed we believe it would be very difficult for you to avoid being caught up in matters outside the intelligence field if you, as a close associate of the President, were so conveniently placed. Congress would presumably be indifferent as to whether you placed yourself at East Building or at Langley. We are convinced, however, that in the present atmosphere the reaction on the Hill to your moving into the White House or EOB would greatly complicate your task in taking over an already complex job.

5. For the Community. The senior officers of the Community and their departmental supervisors will be interested in two matters: the extent to which the DCI wields real power, either directly through authorities granted him or indirectly through his relations with the President; the extent to which the DCI will be "impartial" in judging Community issues, i.e. will separate himself from the interests of CIA. The first of these is of course crucial to your success in establishing yourself as DCI. To us the second is considerably less important.

6. The National Security Act of 1947 established CIA as the DCI's staff. The other agencies of the Community, however, view CIA as on an equal footing with them under the DCI as Community leader. Although this issue has never been fully resolved, past DCI's

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have increasingly made a distinction between Agency and Community affairs. If this reflected an increase in the DCI's real power over the Community as a whole, it would have some logic behind it, but in the absence of such authority it merely results in weakening his ties to his institutional base in CIA. Moreover, if a DCI is to be "impartial," particularly in judging substantive issues, and if he is to be "above" CIA, he will have to develop a new substantive staff of his own to enable him to do so. Not only would this be complex and expensive, but it would destroy the raison d'être of the CIA analytic organization, a national asset unchallenged as the best the government has.\*

7. From the Community point of view, this adds up as follows. Operating from an office in the White House would clearly reinforce your position within the bureaucracy, where you would be seen as wielding Presidential authority. Location in the EOB would convey the same impression, but somewhat less strongly. A DCI working from East Building or Langley, however, would need to symbolize Presidential backing in other ways. (This is relatively easy and we recommend some ways to do it below.) An appearance of impartiality on Community issues can be achieved by locating anywhere except at CIA Headquarters, and it may well be desirable to provide a symbol that your responsibilities to the Community are important. But we believe that under present circumstances this is not an issue that should be governing in your decision.

8. For CIA. CIA views itself as the DCI's real strength. It feels it has been unjustly pilloried and ridiculed by the Congress and the press. It has been held together by a discipline and esprit that is not

\*This is not said from complacency. It could be a great deal better.

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usually seen in government these days. This cohesiveness is maintained primarily by the confidence of professional officers that the duties they are performing in the national interest will eventually be confirmed by Congress and the public as an essential and patriotic service. Any move by a DCI that could be interpreted as an attempt to disassociate himself from CIA would be destructive indeed. A move downtown would be seen in this light, unless it was made in the context of a reorganization endorsed by the Congress that reaffirmed the necessity for a strong and independent CIA. On the other hand, CIA has been restive under the situation that has arisen when the DCI's Community responsibilities and staff are co-located and organizationally confused with his Agency ones. Physical separation of his Intelligence Community staff from CIA would clarify roles and relieve tensions.

#### The Problem of Staff Support

9. As stated above, the DCI's responsibilities to the President are to give him the best possible substantive support and to manage the Community with maximum efficiency. For an officer serving the President it is of course desirable to be located as close to the Oval Office as possible, but this must be balanced against his need for enough staff to be effective. A White House office probably could accommodate no more than a personal assistant and a secretary or two. In the EOB it might be possible, given enough Presidential steam, to stake out space for, say, 50. The East Building complex could be rebuilt to house several hundred. Langley can house several thousand. It is presently overcrowded, but could absorb additional DCI staff.\*

10. The question then is how much staff you will need in your immediate office. Here we distinguish between management and resource matters and substantive ones. They are equally important but quite different. The former tend to arise on a periodic basis; they involve relatively small paper flows and meetings with

\*It would also be possible to establish an entirely new headquarters downtown, but expense and time considerations would argue against it.

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relatively few people; they move at a deliberate pace; meetings and decisions can usually be scheduled well in advance. For these reasons it might be possible to manage the Community and even the Agency from a downtown location with an immediate staff of 50-100 people, although at some inconvenience to your senior component heads.

11. Substance is quite another matter. Events abroad cannot be scheduled and the flow of incoming intelligence is continuous. Meetings tend to be called on short notice. The flow of paper is large [redacted]

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[redacted] the number of people required to handle, absorb, select and analyze is also large [redacted] and there are substantial requirements for computer support. The range of subject matter is wide; DCI's have in the past found they can develop understanding most efficiently by discussion with the desk analysts themselves in various combinations.

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12. We believe that substance underlies every phase of the DCI's activities, including the managerial and that he cannot be effective in any of them without a strong substantive base. One of the DCI's primary functions is to participate personally in the deliberations of the NSC, Verification Panel, WSAG, etc. The President's need for efficient management of intelligence is evident only at budget time; his need for information and judgment is continuous. Moreover, the DCI was put in business by the Congress to "correlate and evaluate," and Congress continues to expect him personally to provide a substantive input to it as well as to the Executive. Equally important, responsible choices among expensive collection means and sophisticated assessment of intelligence performance can only be made on the basis of solid understanding of the substantive issues.

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13. We are convinced that you must retain a strong substantive analytic capability under your control if you are to perform these functions, and in particular to give independent assessments to the President, the NSC, and Congress. Whether this control is exercised directly, or through a Deputy Director, or through a separate Director of CIA is not crucially important. What is important is that you be able to draw on resources that are dedicated to serving you and your customers, something no departmental intelligence organization can or should undertake to do. Moreover, particularly in the military analysis field where very large Service budgets are at stake, you must be in a position to assure the President and Congress that you have independently checked Community findings. In the real world, this can only be done by relying on your own analysts for key portions of the work.

14. It is theoretically possible for CIA at Langley to provide a DCI downtown with the substantive input he now gets, but the practical problems would be very great. Electrical communications are no substitute for personal contact. The costs in supervisor and analyst time alone would be excessive. There would be a major loss in the responsiveness of the system under normal conditions, and in crisis confusion and wear and tear on human beings would be multiplied. Moreover, taking analysts away from Langley to brief the DCI would remove the key men from the information flow. These considerations would hold whether or not the DCI has an NIO Staff. The NIO's must have personal contact with the DCI, but they must also have personal and continuous contact with the analytic base.

15. If you are to play a strong substantive role as we believe you must, your practical alternatives are to install yourself at Langley or to move CIA production downtown with you.\* The complications of moving downtown, however, are so great that we recommend you consider it only if you see major bureaucratic advantage to be gained in the context of a radical reorganization. It would place you near the President with a very strong staff (but the size of that staff would rule out the White House, EOB or even the East Building complex).

\*Or, in the longer run, explore technological substitutes.

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On the other hand, it would be a major undertaking, expensive in time, money, and disruption. It would involve almost all the Directorate of Intelligence, major portions of the Directorate of Science and Technology, and a number of support functions, notably computer facilities. (These elements are tightly integrated; there is no way they could themselves be divided without great cost in efficiency). Moreover, the integration of production with the collection and R&D functions of CIA is mutually strengthening, and this too would be lost.

16. Finally, we would emphasize one general observation. Ease of consultation and personal contact is extremely important to the efficiency and cohesiveness of organizations. Fourteen years ago CIA assembled the central elements of its Directorates at Langley. It is not an exaggeration to say that the Agency could not have met the challenges of the 60's and 70's if these components had been physically separated as well as semi-autonomous. Transactions that require a walk to the next wing usually are carried out; components linked by a shuttle-bus trip tend to work in isolation from one another, and misunderstandings grow. A manager who can assemble the experts he needs in five minutes can operate efficiently; one who needs an hour will gradually accumulate new experts in his immediate office. We believe a DCI who does not spend a great deal of his time at Langley will inevitably be forced over time to build a new and duplicative CIA around him.

#### Impact of Organizational Change

17. In this section we discuss the six options contained in the NSC/OMB Study, plus the variant suggested by Mr. Colby, in the light of these symbolic and practical considerations.

18. Option I, the unitary organization containing CIA, NRO, and NSA. The major changes necessary to create such an organization and make it effective have not been addressed and would presumably be the primary duty of its first director. For this purpose he would have to engage himself deeply in the affairs of all

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three organizations and, initially at least, might need to delegate his substantive responsibilities. He would, nonetheless, need a substantial staff. Under these circumstances he might consider East Building, more or less centrally located among Langley, the Pentagon, and Ft. Meade. Neither the White House nor the EOB could accommodate him, but his institutional authority would be so great that indirect signs of Presidential support would be no more important than they are to Cabinet Officers.

19. Options II and IIA, the DGI with budgetary authority over NRO and NSA. The DGI of these options would be institutionally quite strong, though not as strong as under Option I. His Community role and his relations with Defense would be important and would require a large staff; it might be desirable for him to set these apart from his CIA role. On the other hand, he would need CIA's substantive support. He might therefore consider splitting his office, maintaining a Community office and staff at East Building, but keeping his personal headquarters at Langley. (The considerations with regard to the White House and EOB are the same under Option II as under Option I.) Option IIA, which subordinates CIA production directly to the DGI, is a situation in which he might see moving these elements downtown as advantageous. Because he would not need an office at Langley, his position as Community leader could be emphasized.

20. Option IV and Mr. Colby's variant, a slightly strengthened DCI. Mr. Colby's proposal calls for two offices and two deputy DCI's, one downtown with the DCI's Community Staff, one at Langley with the Agency; such an arrangement is equally consistent with NSC/OMB Option IV. We believe it would be both practical and desirable, if the DCI's institutional ties to CIA were not weakened thereby. While Mr. Colby had East Building in mind, an EOB location could also be considered. The DCI will need every bit of Presidential support he can get, and we believe the Congress would not see this arrangement as "politicizing" the DCI as long as his primary office continued to be at Langley.

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21. Options III and IIIA, the DFI as coordinator. The DFI would be weaker than the present DCI. To remain effective, he would have two realistic choices: to place himself at Langley and tie himself as closely as possible to CIA (in effect, to treat the DCIA as a Deputy); or to place himself in the White House, with a staff in the EOB, and make the most of his role as Presidential staff officer. Under IIIA, with CIA production transferred to the departments, we believe he would have no choice but to function from the White House or NSC complex\*. Under these options location at East Building would be the worst course; it would effectively isolate the DFI.

Recommendations

22. In sum, there are four fundamental considerations that must govern your job as DCI:

- For the President you should be the senior national intelligence officer and manager of the Community (and maintain the staff this requires).
- For the Congress, you should provide assurance that you are able to take positions independent of the policy departments and of political concerns.
- For the Community, you should demonstrate that you have the President's confidence and backing as its manager.
- For CIA, you should cement your institutional base through leadership and participation.

23. The problem that confronts any DCI is how he reconciles these irreconcilables, at what point he chooses to stand on a scale that runs between total concentration on management of the Community and total concentration on substantive issues. Your predecessors have repeatedly considered moving their offices out of Langley to concentrate on management and have repeatedly rejected the idea as inconsistent with what they believed were the substantive requirements of the job. The next few months,

\*His job would be quite different from that of the present DCI and Congress' concern over this might be less.

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however, could see a redefinition of the DCI's role to emphasize his management responsibilities. Nonetheless, given the uncertainties in the present situation, we recommend that you:

- First. Maintain an apolitical position. This means that unless the job is radically changed you should avoid locating yourself too close to the President.
- Second. Maintain your institutional links to CIA, especially to its analytic elements. This means spending at least half your time at Langley, and keeping your substantive staff there.
- Third. Establish the fact that you have Presidential backing through devices that do not have political overtones. For instance, we understand that President Ford is considering a revival of President Johnson's "Tuesday Lunch" (Rusk, McNamara, Wheeler, Helms, Rostow). Your presence there would make the point. You might also consider:
  - ° A weekly appointment with the President.
  - ° Regular participation in the President's morning intelligence briefing. (This is manageable, even daily, although it would be onerous.
  - ° Maintaining an accommodation office in the EOB. Such a pied-à-terre would not require full-time staff, but its existence would carry some bureaucratic weight. You might well hold certain meetings there to underscore your position.
- Fourth. Consider seriously placing your Community staff in East Building and maintaining an office there. However the Community is eventually organized, there are psychological advantages in making a clearer distinction between your Community and CIA roles, and there are points to be gained in CIA by straightening lines between you and it.

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--Fifth. More generally, do not cut your direct ties to Langley unless you have acquired statutory authorities much stronger than those you now have.

L. C. Dirks



R. Lehman

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